

REF ID: A66277-1938/0

Approved For Release 2002/01/08 : CIA-RDP83-01004R000100030003-8

Mr. Dwight Ink  
Executive Director  
Personnel Management Project  
U. S. Civil Service Commission  
1900 E Street, N. W.  
Washington, D. C. 20415

Dear Mr. Ink:

We have reviewed Option Papers Numbers Four, "Federal Government Labor-Management Relations", and Five, "Federal, State, and Local Interaction in Personnel Management". The nature of our mission, as well as Executive Orders, precludes our interaction with state and local government; therefore, we have no substantive comments on Option Paper Number Five.

As regards Option Paper Number Four (Federal Government Labor-Management Relations) the Central Intelligence Agency is excepted from the Federal Labor-Management Relations Program under provisions of Executive Order No. 11491.

The nature and sensitivity of CIA's mission dictate that such exception be continued and incorporated in any changes contemplated for the Federal Labor-Relations Program.

Sincerely,

F. W. M. Janney  
Director of Personnel

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MEMORANDUM FOR: Acting Deputy Director of Central Intelligence

FROM : [REDACTED]  
Acting Director of Personnel

SUBJECT : Federal Personnel Management Project

REFERENCE : Letter to Heads of Departments and Agencies  
from the Chairman of the Civil Service  
Commission

1. Action Requested: Approval action on attached letter to Executive Director, Personnel Management Project, Civil Service Commission.

2. Background: On May 17, 1977, Alan Campbell, Chairman of the Civil Service Commission, announced the formation of the Federal Personnel Management Project, an action group created to carry out the President's Reorganization Plan. The objectives of the Federal Personnel Management Project are to examine and review all aspects of personnel management in the Federal Government - the basic policies, the systems for carrying out personnel management functions, the organization for personnel management and similar matters and to recommend regulatory legislative and organizational solutions.

3. The Commission Chairman established working groups and a staff to undertake a comprehensive study of the Federal Personnel System. The results are expected to lead to administrative action; new regulations by the Commission or OMB; reorganization through a reorganization plan; and legislative proposals including the possibility of a comprehensive "Civil Service Reform Act". The Working Group and Staff have thus far written "option papers" covering such subjects as Equal Employment Opportunity, enforcing merit system rules and regulations, carrying out labor-management relations, workforce planning, measuring and encouraging productivity in the Federal workforce, and training and development of Federal employees, supervisors, managers, and executives.

The "option papers" have been distributed to over 700 federal agencies and public interest groups for review and comment. The goal in providing such a wide distribution is to get a broad spectrum of viewpoints from organizations and individuals.

4. To date, the Office of Personnel has reviewed "option" paper numbers; two, "Roles, Functions and Organizations for Federal Personnel Management and related Issues" and; number three, "the Composition Dynamics and Development of the Federal Workforce". Our response is directed to the points in the "option" papers which might have an impact on the Agency in any reorganization effort. We will continue to review each "option" paper and respond as appropriate. Copies of our replies will be forwarded to you.

5. Recommendation: It is recommended that you approve the release of the attached letter containing the Agency position.

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Att.

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Comments on Option Paper Number Two

Section III - Organization for Personnel Management: Alternative Personnel Systems and the Competitive Civil Service

1. Reference: Introduction

Comment:

The basis for Central Intelligence Agency's statutory excepted/exempted status was congressional recognition of the need to protect the security of the foreign intelligence interests of the United States. Included in the CIA's authorizing statutes (the National Security Act of 1947 and the CIA Act of 1949, as amended) was the proviso that the Director of Central Intelligence is held responsible for protecting intelligence sources and methods from unauthorized disclosure.

Pursuant to this responsibility the Agency was exempted from the provisions of any other law which required the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency.

The circumstances extant at the time of CIA's original authorizing authorities are equally compelling and applicable today.

2. Reference: Issue II - When is alternative (excepted/exempted) status justified?

Comment:

We believe it essential that the current statutory basis for CIA's excepted/exempted status must be retained on the basis of the nature of its mission and activities.

In July 1973, the Civil Service Commission examined CIA's personnel management system as part of their report to the Senate Committee on Post Office and Civil Service on "Statutory Exceptions to the Competitive Service". The

Commission summarized their conclusions that "a single, excepted personnel system for CIA best meets the needs of the Agency", and that "the Agency's personnel system was a working merit system".

3. Reference: Issue II - Possible Criteria for continuing excepted/exempted status.

Comment:

In addition to the need for excepted/exempted status for agencies with national security and intelligence missions on the basis of the security considerations relative to the nature of such functions, the accomplishment of intelligence activities require special authorities and exceptions from normal procedures and requirements.

Several of the criteria suggested as grounds for continuing or granting exempted status are applicable to CIA, particularly criteria numbers 1, 2, 4, 6, 7, and 8.

4. Reference: Issue IV - Mobility between alternative services and the competitive service

Comment:

The CIA supports the transfer of personnel from excepted to the competitive service if individuals meet the basic qualification standards for such positions. Any such option should include reasonable safeguards against violation of merit concepts and political abuse.

# FEDERAL PERSONNEL MANAGEMENT PROJECT

<u>OPTION PAPER (No. &amp; SUBJECT)</u>	<u>DRAFT RCVD.</u>	<u>REVISION RCVD.</u>	<u>COMMENTS DUE IN CSC</u>
#1 - STAFFING <sup>and</sup> EQUAL OPPORTUNITY	The DRAFT & REVISION WERE WRITTEN <sup>and</sup> A ✓ DISCUSSION MEETING HELD BEFORE OUR INVOLVEMENT		
#2 - Roles, Functions <sup>and</sup> ORGANIZATIONS FOR FEDERAL PERS. MGT. & RELATED ISSUES	15 SEPT.	19 SEPT.	3 OCT. ✓ 10/3
#3 - The Composition, Dynamics <sup>and</sup> DEVELOPMENT of The FEDERAL WORK FORCE	15 SEPT.	19 SEPT.	3 OCT. ✓ 10/3
#4 - FEDERAL GOVT. LABOR-MANAGEMENT RELATIONS	16 SEPT.	22 SEPT.	11 OCT. ✓ 10/6
#5 - FEDERAL, STATE <sup>and</sup> LOCAL INTERACTION IN PERS. MGT.	16 SEPT.	26 SEPT.	14 OCT. ✓ 10/6
#6 - JOB EVALUATION, PAY, <sup>and</sup> BENEFIT SYSTEMS	NA	17 OCT.	27 OCT.

and support the retention of a central federal personnel authority (whether it be the Civil Service Commission or other entity) to provide the policy/prog. in leadership and management assistance role essential to sound and effective personnel management within U. S. Government agencies.

The majority of the specific concerns and issues addressed in the options presented in Option Paper Numbers Two and Three bear on the relationships and authorities applicable to agencies in the competitive service and subject to the jurisdiction of the Civil Service Commission.

We have therefore directed our comments to those elements of Option Paper Numbers Two and Three which have relevancy to agencies such as the Central Intelligence Agency that operate under excepted status and maintain "alternate" personnel systems.

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Our comments on Option Paper Number <sup>Five</sup>~~Two~~ are enclosed herewith.  
We have reviewed Option Paper Number Three and have no substantive  
comments.

Sincerely,



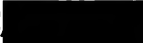
Acting Director of Personnel

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Enclosure

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